Special Agenda Item	1	
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PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA COMMISSION DIRECTIVE

ADMINISTRATIVE MATTER		DATE	April 22, 2022
MOTOR CARRIER MATTER		DOCKET NO.	2022-2-Е
UTILITIES MATTER	✓	ORDER NO.	
THIS DIRECTIVE SHALL NOT ORDER SHALL BE ISSUED AS			DER ON THIS ISSUE; SUCH

SUBJECT:

<u>DOCKET NO. 2022-2-E</u> - <u>Annual Review of Base Rates for Fuel Costs for Dominion Energy South Carolina, Incorporated (For Potential Increase or Decrease in Fuel Adjustment)</u> - Staff Presents for Commission Consideration Dominion Energy South Carolina, Incorporated's Annual Review of Base Rates for Fuel Costs.

COMMISSION ACTION:

I move that the Commission find as follows:

- (1) The fuel purchasing practices and policies, power plant operations, fuel inventory management, and other matters associated with S.C. Code Ann. § 58-27-865 (2015) are reasonable and prudent for the review period.
- (2) The total value of Net Energy Metering Distributed Energy Resource (NEM DER) proposed by DESC and concurred to by ORS is \$ 0.03093 for the current period and \$0.04248 for 20-year levelized as shown in Direct Testimony of Witness James W. Neely and Table 2 in his testimony.
- (3) The Base Fuel Cost for DESC is 3.032 cents per kWh for all rate classes.
- (4) The Variable Environmental & Avoided Capacity Cost Component is 0.101 cents per kWh for Residential Service; 0.084 cents per kWh for Small General Service; 0.074 cents per kWh for Medium General Service; and 0.044 cents per kWh for Large General Service.
- (5) The DER Avoided Cost Component is 0.040 cents per kWh for Residential Service; 0.032 cents per kWh for Small General Service; 0.030 cents per kWh for Medium General Service; and 0.017 cents per kWh for Large General Service.
- (6) The Total Fuel Cost Factor 3.173 cents per kWh for Residential Service; 3.148 cents per kWh for Small General Service; 3.136 cents per kWh for Medium General Service; 3.093 cents per kWh for Large General Service; and 3.032 cents per kWh for Lighting Service.
- (7) The DER Incremental Cost Component per account per month is: \$1.00 for Residential; \$6.82 for Small/Medium General Service; and \$100.00 for Large General Service.
- (8) The total allowable rate change, reflecting all updated fuel costs incurred by DESC, for a Residential Customer using 1,000 kWh per month would be \$6.53 inclusive of taxes.
- (9) The Company will be noticing its customers of the increase in fuel costs and explaining the nature of the fuel costs. This same notice shall provide information on resources to customers in need of assistance.

Mr. Chairman, I would like to note that DESC does not make a profit margin on fuel cost recovery as contemplated in this matter. This cost is purely a pass-through cost, which has increased as the cost of fuel has increased. While there is a rate change as a result of rising fuel costs, this is not an increase in base rates, for which the Company would have the opportunity to make a margin of profit. In addition I note that the Company has made the choice to use award settlements from other unrelated cases which is a one time offset on the actual costs. In other words without these sums offsetting the costs, the rate increase for fuel would have been even higher. The company and ORS noted that this was the most expedient way to get those funds back to customers.

PRESIDING: <u>J. Williams</u>			SESSION: Special	TIME: 9:00 a.m.
	MOTION	YES	NO OTHER	
BELSER		✓		Present in Hearing Room
CASTON		✓		Voting via telephone
ERVIN		✓		Voting via WebEx
POWERS		✓		Voting via WebEx
THOMAS		✓		Voting via telephone
C. WILLIAMS	✓	✓		Voting via WebEx
J. WILLIAMS		✓		Present in Hearing Room



